

# **MEETING SUMMARY NOTES**

## **Finance Work Group**

*December 12, 2002*

*7:30 a.m., Engineering Services, 731 Westgate Blvd.*

**MEMBERS:** Present - Brad Korell, Lowell Berg, Tom Schleich, Larry Zink, Ron Ecklund, Bob Hampton, Otis Young, Keith Brown, Jim Budde, Connie Jensen, Kent Seacrest, Tim Thietje, Dan Marvin, Roger Severin, Terry Werner, Polly McMullen, Richard Meginnis, Allan Abbott (nonvoting)  
Absent: Mark Hesser, Tom Schleich

**OTHERS:** Kent Morgan, Roger Figard, Steve Masters, Margaret Remmenga, Randy Hoskins, Steve Masters, Marvin Krout, Don Herz, Peter Katt, Rand Wilson, Gary Brandt

### **AGENDA ITEMS DISCUSSION:**

#### **1. Welcome - Brad Korell, Work Group Chair**

Brad Korell opened the meeting by welcoming everyone to this morning meeting. He then reviewed the agenda.

#### **2. Meeting Summary Notes - December 3, 2002**

Mr. Korell asked if there were any changes in the "Meeting Summary Notes" from the December 3, 2002 meeting. Larry Zink requested the change be made that the neighbors DID feel the need for additional funding. It was incorrectly stated as "dd not."

#### **3. Public Comment Period**

Mr. Korell asked if there was anyone from the public who wanted to comment. None present.

#### **4. Miscellaneous Data Items**

Mr. Korell reviewed his working agenda that the Work Group. Brad and Kent are updating the working agenda as needed with new items as they are being brought forward for discussion. The first step in the process is to identify the gap and to help this group get a clear understanding and consensus as to what the gap is for streets, water, waste water, storm sewer and parks. Brad noted that once the gap figure is identified, we will start looking for revenues to fill the gap. Time has already been spent on water and waste water which will be followed up this morning, and then we will go on to streets. We bring the information forward as we receive it however we

are pretty well on track.

The next meeting will be to the Mayor's Conference Room on January 8, 2003.

Kent Morgan had a handout of additional information. These are questions brought up by members of the Work Group. The handout answered these questions regarding various figures that had previously been distributed and some assumptions. The Work Group studied the handout for a few minutes.

Mr. Korell asked for any immediate questions or comments. Keith Brown did ask if one of the spreadsheets received at a prior meeting with an accumulation problem would have a revised page coming. This was on street projects. Roger Figard stated this has been corrected but he did not have copies to handout this morning. This information will be provided to the Group. No other comments were presented.

## **5. Priority Area A Capital Projects: Continued Discussion on Water and Wastewater**

Mr. Korell went on with the agenda which will continue with the discussion on water and wastewater. Next on the program was Margaret Remmenga. Her presentation of additional information on wastewater will be deferred to the next meeting. She distributed a handout on water.

Allan Abbott added that the different formats requested are taking a tremendous amount of staff time so the normal workload is behind because this is a priority.

Margaret stated the first sheet is for baseline calculations for capital improvements and the second sheet is on Category 5. The Work Group asked to identify year by year what the projected revenues and expenditures would be. Mr. Korell asked how to distinguish between the two. Margaret explained to look at the lower left-hand side at Capital Improvements it will say either Category 5 or baseline. Mr. Korell further explained the sheets handed out last week were for revenues and expenses. He asked that a common format be developed using the terms: sources and uses. "Sources" is a more encompassing term because not all "sources" are "revenues." Bond proceeds are not revenues. Proceeds from fees on water bills are revenues. We are trying to identify sources and uses of funding on a cash basis. We are hopeful we will get consistent on this as we move forward.

Margaret went on to explain they did get the completed audit for water enterprise funding for Fiscal Year (FY) 2001-2002. Those audits will be printed in the next two weeks. Starting with FY 2002-2003 on the baseline scenario, the cash and investment balance for water Margaret explained that she backed out the bond reserve fund which cannot be touched for operating and maintenance. She also backed out the capital improvement projects committed for - budgeted but not paid out yet. These are numbers showing available balances for projects where expenses have not been incurred. In Water the starting balance she was using, part of the fund balance to

fund projects that they were issuing revenue bonds for. Moving down that column the projected revenue for water sales this FY with the 7% water user fee is \$21,451,000. The financial advisors confirmed with the 7% user fee increase and no other fee increases we can issue a maximum of \$20 million. Mr. Korell added that decision has not been made. We are just identifying the capacity. Margaret added they just issued \$18.7 million in revenue bonds.

Jim Budde asked if there was any increase in rates for future years. Margaret answered there were not. Over a ten-year period the majority of the meters will be replaced in homes and business with new water meters. As part of that installation they are also installing a device where they get an automated meter reading while driving by. Because the waste water billing generated relies on water meter readings, that needs to contribute a portion of the cost of the new meters and reading devices. Over a ten year period they opted to have a transfer or revenue from wastewater. They will receive \$400,000 and this was voted on and approved by the City Council. Interest was hard to come up with. Projecting forward they are to be more aggressive on the construction of the projects so she considered  $\$3/4$  million interest on these. For operating and maintenance the \$12.1 million is the approved operating budget for the current FY year. The debt service is the old bond issues providing for 1.5 coverage before new bonds were issued. The next line shows the bond issue causes the transfer to reserve. These are additional dollars that would have to be moved over to the reserve fund with the issuance of a \$20 million bond issue. Capital replacements are the needs that have a life less than 15 years which are identified in the operating budget and a copy of what makes up this figure, but can be provided. The capital improvements for the baseline is from the capital improvement budget for this FY. After taking into account the total sources and uses for the current FY the estimated gap is \$12.8 million. The next five years for revenue from water sales is escalated the revenues on an annual basis at 1%. With the water conservation programs and user fee increases we do note a small decline in usage by customers. In the current FY we implemented the 7% user fee half way through the FY. The operating and maintenance cost for FY 2002-2003 is from the operating budget and escalated at 1.5% for future years. However it is running close to 5% on an annual basis. The financial advisors figured the annual interest at 5% on a \$20 million bond issue for a period of 20 years. Capital replacements were from the operating budget and escalated at 1.5%. The numbers for capital improvements for both baseline and Category 5 Steve will explain. The total revenues that are being generated over a six-year period by impact fees is \$4.3 million over a six-year period and this is not included in this handout.

Mr. Korell asked if we start in the second column FY 2003-2004 and added up figures - Does that agree with the spreadsheet reviewing at the last meeting? Margaret answered, yes, that it is close because of using exact numbers for the ending cash balance and the debt service, and this will be updated. Another question from the last meeting from Mr. Korell was that we wanted to try to break out costs for new water standards in our uses? Has this been refined? Steve answered that they have spent some time talking about it but nothing to handout at this time. Also, from an earlier meeting a question was raised on wastewater. What are the anticipated per basin cost. This has not been provided but it was not forgotten and will be worked on. They need to make sure Nick and Gary are using the same information. The information on wastewater that you have asked for they now have but they want to sure they are all approaching

from the same basis. Mr. Korell agreed the group would rather it right than quick. Allan added that on Stevens Creek the basin, the sewer itself, is going down the east side. If we are going to grow like the city says, from west to east, that means you have to have the sewer system coming down the basin completely through Stevens Creek because of the way the city is growing. To grow in the direction the Comp Plan says, it expands from west to east and not jump over a portion of Stevens Creek. That is a different answer that what is the quickest way to expand Stevens Creek which is from east to west. We have to make sure everyone understands that you have to build a complete sewer system for Stevens Creek to go from west to east. Kent Morgan added on the western half of Stevens Creek we want to grow from west to east, we have to have the sewer line extended down through the middle of the Stevens Creek basin, then bring the extension to the west in order to build. Allan added the sewer is east of the city but it is in the middle of Stevens Creek so if you're going to move from west to east you have to build the sewer line completely in the city limits.

Dan Marvin commented that hearing Margaret say expenses are growing at 5% and the assumption is at 1.5% which is a considerable difference. Allan answered that today's dollars are being used and not including inflation. The 3.5% of that 5% growth was inflation. It was agreed to not use inflation. Mr. Korell added that they have not built in future increases either. They are trying to be consistent. Both sides can be adjusted. Allan commented that they are now working separately without plans and will need to work together and get consistent. This is the best guess at this time on year by year.

Polly McMullen asked about not including some fee increases, because one of things we have a problem with now is having gone so many years without a fee increase. Mr. Korell stated we will come back to that. Richard Meginnis asked if there will be any discussion on major improvements to carry our growth. Mr. Korell called on Allan Abbott to briefly review this major improvements to carry out the grown plan. Allan started by saying the construction of the 54" line coming in from Ashland will be within the next 6 years. Mr. Korell asked that staff come up with a total for capital improvements for the first 6 years and itemize the big projects.

Ron Ecklund thanked them for more information, specifically a copy of the preliminary financial statement. Margaret said it would be provided. Others also wanted a copy of this report. Ron also commented on the handouts from before. There was a \$51 million gap for the 6 years and this implies \$71 million for 6 years. Mr. Korell explained that for our purposes we are starting at FY 2003-2004 for our planning purposes. Ron was trying to compare the two 6 year periods on the documents. There was some further discussion among the group on these figures. Allan explained the \$24 million on debt service went up to \$30 million.

Margaret Remmenga next handed out a sheet from Amertius and a question that was asked on both water and sewer -- what would be the maximum debt service that could be issued? She explained her figures on Water used the audited figures for total operating revenues and the old bond covenants. The \$4.9 million outstanding debt service is current and we could have an \$1.6 addition in debt service. We have just issued \$18.7 million for that bond issue. Mr. Korell asked again if the \$1.6 million is not really available for debt service because we have already issued

most of that debt? Margaret agreed that was correct.

Keith Brown asked if the 1.5 is the covenant test which was answered yes. Keith felt this was too low. Generally covenant coverages are a range and they are not a specific number -- do not limit yourself to a debt service coverage but a range of coverage. We must differentiate between the GO and a revenue bond because there are different tests. Anything for water or wastewater would have to be a revenue bond. This is not realistic.

Keith added that generally that is what your debt coverage has to be to issue additional bonds. Margaret stated that is what it is. Keith added it is not calculated like this. Mr. Korell added that we will have Bill Giovanni will be at next the meeting on January 8 and he has helped with these agreements. Keith asked for a copy of the new and old covenants. Answer: Yes. Margaret mentioned that the policy of the city is to manage with the 1.7 coverage for additional bonds on an annual basis. Keith added that they (LES) manage their overall to a debt to a coverage of a 1-5 to a 1-7 but that includes any new debt. The bond test that is generally in a covenant requirement says that in order to issue additional debt your historical coverage has to be "x", but that doesn't restrict the amount of future bonds. Your cash flow restricts the use of future bonds. So in this instance we would not be looking at \$6.6 million, we would be looking at \$9.9. You do not generally use a one year test, you use a five year rolling average. Mr. Korell stated that we will share this with Bill to have this discussion at the next meeting. Richard Meginnis then asked what can we do in bonding and what needs to be changed to get there? Mr. Korell has asked Margaret to run several scenarios to increase revenues each year at some rate and to modify from there. Bill will also be able to answer that also.

Keith Brown: Last year we (LES) issued \$141 million in new debt for Salt Valley. We forecast on a 20 year future. The additional \$141 million slightly moved the rate coverage but this year in April we will get the first rate increase in years and will be able to save users \$24 to \$25 million. Bob Hampton asked who the bond counsel is for LES and Keith answered Gilmore and Balfor and the public financial advisor is out of Philadelphia. It was noted that the city has always used Ameritas and maybe we need to look at somebody else. Mr. Korell added we need to hear from our current advisors. There was discussion on bond rates that were issued in the last few weeks. Keith added the bonds and rates changed dramatically over a three week period. Mr. Korell asked if Margaret was finished. The group thanked her for her presentation. Mr. Korell summarized that the Cat 5 is the same information but some of the expenditures have been accelerated.

Steve Masters was next on the program with water and wastewater. He notes that we have long looked for ways to economize. The city has not done a construction feasibility study as yet, but this is their best guess. Since the last meeting, he talked to some consulting firms about length of bonding on construction projects: All people felt anything longer than 20 year bond life for water or waste water is as high as you would want to go. This was also agreed on as a good time period due to working with engineers. Keith disagreed and he had talked to financial advisors and other water system personnel across the country.. Steve went on to explain some of the issues surrounding preventive maintenance. Ron explained to the group the Governmental

Finance Officers Association which is the national organization for public utilities which includes more than just LES. Keith is on the Exec Board and there are 15,000 members from public municipalities.

Mr. Korell asked if we are going to see similar information on wastewater. Margaret said yes, we would.

Don Herz next explained some historical income statements and balance sheets for water and wastewater. It simply condenses some of the financial data onto one sheet for water and one sheet for wastewater. These are numbers that can be traced and it was just done for a historical tool to project forward. Mr. Korell asked if there were any changes or trends that could be predicted. Don answered not really, just a change in accounting principles in 2000. Ron Ecklund commented he appreciated the one-page report. This would be an balance sheet and an income statement. The information Margaret has been passing out is more on cash receipts and disbursements made and when finalized, he would like a copy of the 2000 cash flow statement. Don already has the historical data except for 2002, but others may be interested in looking at this also. Historical cash flow statements would be very useful. Again it was appreciated to have this on one sheet.

Mr. Korell thanked Steve for his portion of the program.

## **6. Priority Area A Capital Projects: Streets**

Mr. Korell: Our next item on the agenda will be streets. The question was raised as to whether street construction is about 90% of the cost of Antelope Valley? Kent Seacrest answered it is a little bit high. Mr. Korell went on to say beltways are another major project coming up in the same time period.

Randy Hoskins now gave his presentation. They have tried to break out the costs of various large projects. They have broken cost down by functions including engineering, right of way, the construction and other administration and contracts. Keith asked how far in advance do you get right of ways. The answer was that the city tried work with the county along with their projects. Allan explained they are trying to get dollars ahead and one of the problems has been cash flow. They would like to have it a year before construction. It was also stated that developments come in along major roads and designated right of ways are spelled out by regulations. Randy's first handout was on the Antelope Valley Phase 1 broken out by 6 year periods 1 and 2. He referred to the maps on the board. Purple are committed projects, green are 1-6 projects, orange are 7-12 year projects and blue would be 13 -25 years. Baseline projections and Category 5 were both shown. Difference is 84<sup>th</sup> St to Cornhusker Highway in green and Havelock 84 to 98 Streets are the two changes. Some additional right of way will be needed as 84<sup>th</sup> street will be 6 lane. Keith asked and Randy answered full build out first as shown in the comprehensive program. Mr. Korell stated this is 25 year rather than 12 year period. Allan clarified that we design roads for 20 year traffic at a minimum. It was further explained what some of classifications are and some of the money allocated cannot be moved to different

projects.

(At this time the computer shut down for the recorder.)

Discussion moved onto the matter of types of funding -- RTSD funding can only be used in relation to railroad/road safety projects and grade separations, rail consolidation, etc.. TMT money can also only be used for new facilities and grade separations with railroads, and can't be use to replace an old or existing railroad overpass (e.g., cannot be used to repair a crossing.)

Questions were then asked regarding city funds - i.e., street or highway allocation. Allan explained PB is the enhancement fund which is a special category of funds that you have to apply for and which is controlled by the State of Nebraska -- a committee considers the requests on a project-by-project basis, and if approved, we get enhancement money. The Federal Urban area PC is our share of the regular federal gas tax money that comes to NE and goes to Lincoln. TMT, RTSD were already mentioned. So was the city's share of the state gas tax. WC is one part of the wheel tax and later there will be a WR which Roger will explain.

Mr. Korell stated that just for clarification is there any discretion in this money or do these all have to go into the Antelope Valley? The answer was those that are dedicated to Antelope Valley are the TMT because that was specifically noted for the one bridge, and RTSD which is noted for the one bridge. The others were put together on the basis of the priority that was given which was do Antelope Valley and then do the south belt first. If it was decided we would not build Antelope Valley, TMT, RTSD would go away. The other funds could be used somewhere else. Comments: The wheel tax (WC) would continue to be used on the new mile line roads but not Antelope Valley.

Mr. Korell asked that if the city decided on a different priority, could there then be a shifting of funds? Allan added that the PB funds could not be used for anything else, PC could, TMT could not, RTSD could not, SO could, and WC could. Mr. Korell summarized --then it's just the PC and SO that could be redirected if there were change. Then would we lose matching funds? If we didn't do some of these projects quite as fast, would we then lose these monies because we don't have city funds to match? The answer was that the state is committed to that \$8 million of TMT money. We have to trade between Antelope Valley and the Harris overpass. They told us in the time frame we can have that much money. Antelope Valley took a little longer, but we think we can retain that money. The RTSD funds are committed to be addressed with the county commissioners and the city council members. Allan indicated he thought the money will stay. Allan added on past experience with TMT money, the state is obligating tying this money up and not doing other projects because Lincoln said they were going to use that money. The state will only hold that money for awhile so if you delay it too long the state is going to give it to somebody else.

Question on how far in advance are the funds committed and how far in advance of the structure are the funds received? Answer was that committed and received are two different things. The commitment such as for TMT funds are given years in advance because the State had to do this.

TMT is on a reimbursement. The PB, the PC funds, the TMT and RTSD are on a reimbursement basis. The other ones we get allocated per year and if you cash flow it, you could use some of this year's money and some of next year's money to pay for a construction project that goes over two years, but all federal funds are on a reimbursement basis. You bill them after you pay for it and then you get the money back. Another comment was that TMT funds managed by the state they have a one and five year program. Any project shown in the first three years of the State Transportation Improvement Fund are technically committed. They are intending to do that. The city and the RTSD are a one-year commitment. The council could change the CIP and the budget annually. So, only the dollars in the first year are committed. We carry a one and six year plan to help plan how it will done. Randy added everything that is done here has no inflation. Mr. Korell summarized that we have basically summarized sources to drive Antelope Valley forward based on the schedule that we have at hand. Allan added we have adjusted it over the 10 and 12-year period, not the 6 year period. Antelope Valley is supposed to be done in the first 6 years. We do not think we can afford to do \$137 million in Antelope Valley in the first 6 years so we have expanded it to the 10 and 12 year commitments which is Phase I.

Randy went on with the next page on the south beltway and what is shown is the city's share of the south beltway. It is actually a \$120 million project for which our share of that would be \$24 million. Again you will see the breakdowns for engineering, right of way, construction and also the funding that we have proposed for this project. Mr. Korell asked the question about SO funds being discretionary or not discretionary. Randy answered they would be discretionary and could be used for other projects. Comment that the thing we need to keep in mind there though is that if the state does get federal funding for this, we cannot match federal funds with federal funds; so we would have to use either state or local funds to match any federal money that the state received. Randy went on with the next page explaining this is the east beltway. There is no activity within the first 6-year period. There is \$5 million worth of activities in the second 6-year period and basically that would be initial engineering and right of way. The estimated cost of that is \$150 million. The city, if we follow the South Beltway Agreement, might have a 20% share of that so we are looking at \$30 million city's share. \$120 million on the south beltway and \$150 million for the east beltway. Mr. Korell restated this is total project cost including all services and everything. Allan added again that total includes parks and community rehab and everything.

Randy moved on to the next page which is street operation and maintenance. Again this is the pot hole patching, the snow removal, mowing, and this type of activities. The figures for each year are increased, not inflated, based on the expected growth of the roadway networks at 2.2% per year. There you see the WR funds that is the part of the city's wheel tax. Comment: Not the part of the new construction, but the part that was spelled out in the legislation that was used for this. Mr. Korell asked if this was restricted for this purpose. Allan added that it states a portion of it. Another commented added is that the WC is what is restricted. The WC part of the new wheel tax is restricted to new construction. This WR is available to use for any appropriate street maintenance and operation activities. Question asked for new construction and this was answered stating it can be used for new construction. Allan added WC is not discretionary but WR is. The next page is the arterial and residential rehabilitation. Shown here is 80% of the



money being for arterial rehabilitation and the other 20% is the residential rehabilitation based on historical data. Question is this goes back to a previous meeting when it was stated residential streets should be done about every 30-35 years. Correct. Allan explained these are the evaluations of the arterial streets. These have not been received for the residential streets because they have not been done recently. The higher the number, the worse the road on this. There are some pictures showing you the difference between a 25 and a 40 so you have some idea of what the differences are. The goal is to have the arterial streets to be at least a 30.

Mr. Korell further explained that this was talked about at one of the first meetings and the question was raised about what is our program for rehabilitation our existing streets. We do not have a well-defined program. It has primarily been on an as needed basis. Allan: It has primarily been what can we afford to do. This then takes away from the new construction and some of the other roads. As you look at your list, I think this year we are able to get the first seven of these in this year's program meaning being under construction with our \$5 million. Water mains and sewer mains need to be replaced. We do not want to come in one year and do the streets and then tear it up next year for the mains. We try to coordinate these. These are for the arterials and we are doing a similar program for the residential streets but there are a lot more residential streets.

Terry asked what is the scale. Roger explained the streets are rated in four categories and each category can get from 2 to 10 points. They are rated on surface condition, maintenance economy, base failure and overall riding quality and then curb damage. Those can get various numbers up to a maximum of 10 in each category. Base failure goes up to 15 points. Other considerations added in are traffic and bus routes. They are working on changing the rating. Allan said on 21st Street from K to G Streets is as bad as it can get. Roger added then 10 is like a brand new road. Terry asked if there was any acceleration on the projections. Randy said they have figured a 2.2% grown in the mileage of the streets and that 2.2% was added. Allan: They are trying to get together a program that states our goal is keep streets from getting to a "30" and still stay within the money allowed. This may not make some people happy if we go in and fix the street but not the curb but there is only so much you can do when you have only a certain amount of money to work with. Part of this is done for you. We have not had the manpower to get out and rate all of the residential streets. Brad asked for the benefit of the committee if you have any further definition to the program that you think we should be conducting to help us validate the numbers in some way. We don't want to leave major considerations out. Keith asked how often the arterials are rated. Allan and Roger agreed every year. Larry appreciated what has been done and wanted to know if there was a ballpark figure to get these streets up of a "30"? Allan: Yes, we can come up with an estimated figure.

The next page Randy has was the committee's projects which are committed under the use section. Under the source the cash balance is shown that was available as of September 1 of this year. Everything up to this point has been fully funded and this is the first time we are showing a gap which represents the currently committed projects and the cash balance that we have. Next sheet is using the baseline map. This shows the new roadways that are shown in the Comprehensive Plan. We have taken out committed projects, the O&M and the Rehab so

basically it would be what shown on the maps on the wall in green and orange. Those are the projected included. There is quite a gap and as we are showing roads being built following the wastewater plan. This creates a huge gap in the first 6 years. Keith asked can this gap be attributed to two or three major projects or this is just a combination of all projects. Randy answered there is \$138 million for Antelope Valley, and \$24 million for the south beltway. Allan stated this is \$160 million of the \$350 million of the 12 years for Antelope Valley and beltway total. It was then explained why two sheets were handed out showing the major projects and compare to activities. Allan added they answered the question that was asked. As we go forward, we would not necessarily do major projects in the first 6 years and very little in next 6 years. Jim Budde asked if there is a \$350 million call for over next 12 years and the answer is yes. Randy explained the next page is the Category 5 but basically just shows the two additional projects being done in the first six years and we no longer have a gap in the second six years. Quick explanation of next pages as summary including the breakout sheets from the previous pages.

Dan Marvin asked if the south beltway and Antelope Valley were the \$160 million for these two, but when breaking these out, do the remaining projects exclude these project? Allan: Yes and remember this is the city's portion of Antelope Valley and south belt. It assumes the state will come up with their share. Roger: Remember only \$66 million of Antelope Valley is in Period 1.

Larry asked how the baseline you have here compares with the figures we have discussing based on the CIP and initial discussions we have had about the gap on roads? The answer was these are a lot higher. This is not the same number as we have used for CIP. Randy added the biggest changes they have seen were the original building was to be over 25 years and now we are trying to match what wastewater has on there timing for each basin. We cannot design and build these within 12 years and we are just trying to show the match with wastewater. Allan added they are trying to anticipate the question: What would it take to serve the white area of map. It would take probably \$143-\$144 million is for the "white" area which does not get into "gray" area of expansion.

Terry had a question on CO and BR? Allan answered BR is special Bridge Replacement Funds which is a special category for federal money if the bridge is in bad condition, and CO is county funds. Roger added when talking about six lanes for 84<sup>th</sup> street and we just recently completed 84<sup>th</sup> Street. It is the decisions of these committees, the council, the commissioners make today affect us. When the environmental work was done on 84<sup>th</sup> Street with the county, before the 94 plan was adopted which added a significant amount of land in commercial area along 84<sup>th</sup> Street, we did not have the benefit of that future thinking and we were projecting traffic for 20 years based on the land use plan of 94. If land use changes or population changes, it affects everything we do. We need to hold to a 6 year plan or a ten year plan and not change these plans each year. Allan added during this last Comprehensive Plan procedure it was decided not to widen 70<sup>th</sup> Street from north of O Streets to four lanes which meant the traffic now went out to 84<sup>th</sup> Street. Roger simply stated we need to try to hold onto an idea for a 20 year commitment.

## **7. Other Business:**

Jim Budde wanted to say this committee is working to do a good job; working hard to ask questions and get good information. Roger noted that people do care and thanked Jim for the comment.

Dan Marvin asked before the next meeting what commitment does this committee want to have? Do we leave it up to staff or, as a committee, do we have latitude to make the comments for the roads? Mr. Korell stated we have covered about 80% of the data that you will get. There were some refinements that will be brought forward. At the next meeting we have Bill for closing the gaps for water and wastewater financing and generally where city is in its debt structure, what can we afford, what are the implications for alternatives to fill gap. We are hopeful we have resources for funding available for water and wastewater. These should be contemplated and let him or Kent know so we can get this information to you.

Connie asked if it would be on the agenda for a presentation from attorney for SID and Mr. Korell answered yes legal counsel will be here. Tim Thietje added that the city staff should come out of this of how in the future do we establish a process in Lincoln so information will be most useful and how do we tie them and this information into the Comp plan so everybody has confidence in the plan going forward. Mr. Korell: Institutionalize it. Allan asked between the Efficiency Committee and the Finance Committee is there anything on either agenda to have either Brad or Russ come. How do we cut cost by 10% in six years and will there be interplay between committees? Will there be a briefing for the entire committee. Mr. Korell agreed this would be a great idea. Larry added that he was new on the bond questions and asked for information on any websites? Please advise or E-mail him.

## **8. ADJOURNMENT**

The next meeting will be January 8 at 3:30 pm downtown. Happy Holidays to all.

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